

**ACCOUNTING EXAMINING BOARD MEETING
MINUTES
MAY 4, 2006**

PRESENT: Darin Bielecki, Karen Bindl, Karla Blair, Steven Corbeille, Jim Johnson, Thomas Kilkenny, Lucretia Mattson

STAFF PRESENT: Tim Wellnitz, Bureau Director; Nicole Goodman, Bureau Assistant; other Department staff was present during portions of the meeting

GUESTS: Tammy Hofstede, WICPA; LeRoy Schmidt, WICPA and Arland Stone, WAA

CALL TO ORDER

Thomas Kilkenny, Chair, called the meeting to order at 9:04 a.m. A quorum of 7 members was present.

ADOPTION OF AGENDA

Additions to the Agenda

Add to Open Session under Presentation of Proposed Stipulations:

1. Gerald R. Matsche and Gerald Matsche C.P.A. 03 ACC 008
2. Jeffrey L. Filter and Elmer and Filter S.C. 05 ACC 001

MOTION: Jim Johnson moved, seconded by Karla Blair, to approve the agenda as amended. Motion carried unanimously.

APPROVAL OF MINUTES (JANUARY 26, 2006)

Amendments to the minutes

Correct the spelling of "Counsel" on page 11, Consulting with Legal Counsel.

MOTION: Jim Johnson moved, seconded by Lucretia Mattson, to approve the minutes of January 26, 2006 as amended. Motion carried unanimously.

**ADMINISTRATIVE REPORT
TIM WELLNITZ, BUREAU DIRECTOR**

The Board requested that Mr. Wellnitz add a copy of the meeting and screening dates to the next agenda. The Board also requested that Mr. Wellnitz provide the Board with a list of which Board member is reviewing applications and the date. The appointment of a new screening panel member will be added to the next agenda.

Summary Reports on Pending Court Cases, Disciplinary Cases and Administrative Rules and Monthly Press Release of Disciplinary Orders

Noted.

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Presentation of Proposed Stipulations by Division of Enforcement

There were no presentations of proposed stipulations by the Division of Enforcement in the following matters:

1. Gerald R. Matsche and Gerald Matsche C.P.A. 03 ACC 008
2. Jeffrey L. Filter and Elmer and Filter S.C. 05 ACC 001

LEGISLATIVE/ADMINISTRATIVE RULES UPDATE

SB 484 – UAA Update – Section 23

Mr. Wellnitz informed the Board that SB 484 passed through the Legislature and was signed by the Governor.

Board Request Related to Fiscal Impacts on Legislative Requests

Thomas Kilkenny informed the Board the he had met with the Secretary and briefly discussed fiscal estimates. The Board members requested that Mr. Wellnitz set up a meeting with staff members, Darin Bielecki, Thomas Kilkenny and Karen Bindl to discuss how to improve the process.

EXAM ISSUES

Uniform CPA Examination Diagnostic Report – Barbara Showers

Barbara Showers spoke with the Board about different options on how to score the CPA Examination. Different score report drafts were provided to the Board for review. The Board reviewed and ranked the drafts from best to worst.

Rank of Drafts

3
5
2
4
1

Computerized CPA Examination Scoring Error

Barbara Showers discussed a letter that was sent to the Board from the American Institute of Certified Public Accountants. Recently there was a scoring error that affected the July/August 2005 test. The AICPA explained the corrective actions they are taking.

Uniform CPA Examination Volumes and Pass Rates by Section

The Board reviewed the national and Wisconsin pass rates and the CPAES Survey.

CREDENTIALING ISSUES

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Discussion of Application Process

Tom Kilkenny stated that he had this item added to the agenda as a result of a few complaints he had received from license applicants about delays and phone calls not being returned. Jan Bobholz and Kate Tucker discussed with the Board issues that may delay issuing a license. The Board suggested that the Department put a list on the website with items that the applicants should remember to have included when submitting applications. The Board would like Credentialing to review the list of frequently asked questions that is currently on the website with the goal of updating the website for commonly asked questions that are not currently on the list. Jan Bobholz and Kate Tucker noted that phone calls and e mails are returned usually within two days.

Website Update Changes

Thomas Kilkenny will Draft language for the Department's website and for the regulatory digest on the new law.

The Board expressed an interest in having information on the website and in the regulatory digest on the peer review requirements.

The Board requested that Mr. Wellnitz prepare a draft digest to be posted on the Department's website for the Board to review at the next meeting.

PRACTICE ISSUES

Definition of Temporarily in Wisconsin on Professional Business

While the new legislation allows practice privileges for individuals, this definition is still relevant because of the need to determine when a firm license is required to practice in Wisconsin. The Board's position is that if you are temporarily in Wisconsin on professional business incident to your regular practice you do not need a firm license. If the service being performed requires a firm license, there needs to be some sort of connection to the CPA's practice in the other state in order to practice without a firm license here. For example, if an Illinois CPA has a client headquartered in Illinois, but that client has a subsidiary in Wisconsin, working on the subsidiary in Wisconsin is considered temporary practice because of the connection to the CPA's regular practice. However, if an Illinois CPA is marketing their services to prospective clients in Wisconsin that are not connected to the CPA's existing Illinois clients, then any service provided to those clients in Wisconsin is not considered temporary practice related to the CPA's regular practice in their home state.

NASBA

Plans for Attending NASBA Eastern Regional Meeting

NASBA has provided funding for 3 Board members to attend the NASBA Eastern Regional Meeting in Puerto Rico. Mr. Wellnitz will post a notice stating that a quorum of the Board may be present as 4 Board members are expected to attend.

Interest by Board Members in Joining a NASBA Committee

Information was provided on how to join a NASBA Committee. Tom Kilkenny encouraged board members to sign up for a committee.

INFORMATIONAL ITEMS

NASBA Regional Directors' Focus Questions Response

Thomas Kilkenny filled out the Focus Question Response and provided a copy to the Board.

NASBA Letter Regarding UAA Exposure Draft

The Board briefly reviewed the letter from NASBA.

Board Member Activity

Jim Johnson will be resigning from the Board July 1, 2006. Thomas Kilkenny thanked Jim Johnson for serving on the Board.

Visitors Comments

Leroy Schmidt, WICPA, thanked Jim Johnson for participating on the Board.

CLOSED SESSION

MOTION: Lucretia Mattson moved, seconded by Jim Johnson, to convene to closed session to deliberate on cases following hearing (s. 19.85(1)(a), Stats.; to consider licensure or discipline (s. 19.85(1)(b), Stats.; to consider individual histories or disciplinary data (s. 19.85(1)(f), Stats.; and, to confer with legal counsel (s. 19.85(1)(g), Stats. and to welcome new appointees into closed session. Motion carried by roll call vote: Darin Bielecki-yes; Karen Bindl-yes; Karla Blair-yes; Steven Corbeille-yes; Jim Johnson-yes; Thomas Kilkenny-yes; and Lucretia Mattson-yes

Open session recessed at 11:35 a.m.

RECONVENE TO OPEN SESSION

MOTION: Karen Bindl moved, seconded by Lucretia Mattson, to reconvene into open session at 11:52 a.m. Motion carried unanimously.

VOTE ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION, IF VOTING IS APPROPRIATE

CASE CLOSINGS

05 ACC 011

MOTION: Jim Johnson moved, seconded by Karen Bindl, to close case 05 ACC 011 for prosecutorial discretion (P5). Motion carried unanimously.

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STIPULATIONS

GERALD R. MATSCHE AND GERALD MATSCHE C.P.A. 03 ACC 008

MOTION: Karen Bindl moved, seconded by Jim Johnson, to accept the proposed stipulation, final decision and order in the matter of disciplinary proceedings against Gerald R. Matsche and Gerald Matsche C.P.A. 03 ACC 008. Motion carried unanimously.

JEFFREY L. FILTER AND ELMER AND FILTER S.C. 05 ACC 001

MOTION: Karla Blair moved, seconded by Jim Johnson, to accept the proposed stipulation, final decision and order in the matter of disciplinary proceedings against Jeffrey L. Filter and Elmer and Filter S.C. 05 ACC 001. Motion carried unanimously.

APPLICATIONS

APPLICATIONS REVIEWED MAY 4, 2006

The Board took the following action on applications. Applicants applied based on examination, transfer of credit from another state and endorsement of license from another state.

FOR REGISTRATION AS A CERTIFIED PUBLIC ACCOUNTANT

1. Approved –45

BAUER, JOHN S
BEHNKE, LAURA A
BREUNIG, ERIC L
CARDOZO, JOLENE M
CROGAN, JACQUELINE A
DAHLK, BRIAN T
DEWITT, BRIAN P
FORGUE, JANICE L
FRELICH, JESSICA A
GIULIANI, JOSEPH T
GOETZINGER, ANNA MARIE
HANSON, KYLE P
HSU, YA-NING
HUGHES, DAVID L
JARVIS, SUZANNE M
JAZGAR, CAROLYN M
JOHNSON, JEFFERY E
KEELEY, STEPHEN E
KISSINGER, SCOTT A
KRUMRIE, PAUL A
LORRIGAN, LORI A
LOUDEN, DAVID C
LUNDGREN, TAMMY L

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LUUKKONEN, THOMAS L
MAHANEY, WENDY L
MANESIS, GEORGE J
MARQUARDT, TERESA M
MC DOWELL, TIMOTHY S
MC KINNON, JOHN R
NEU, HEATHER J
OBASI, UKAKU I
PAHL, MATTHEW J
PAIKOWSKI, ANNE T
PETERSON, ANNE MARIE A
PILLAI, PARVATI
PINGEL, NICOLE A
RADKE, JUDY M
REDDY, CHRISTOPHER F
ROBINSON, RAMON L
ROGERS, SANDRA K
RUNDALL, JAMES D
SMITH, MARTI R
TRADEWELL, ELIZABETH J
WEGNER, KIMBERLY A
WILLIAMS, MEGAN M

MOTION: Steven Corbeille moved, seconded by Jim Johnson, to approve the above applications for certified public accountant certificates. Motion carried unanimously.

NEW BUSINESS

None.

SUCH OTHER MATTERS AS DEFINED BY LAW

None.

ADJOURNMENT

MOTION: Jim Johnson moved, seconded by Karen Bindl, to adjourn the meeting at 11:54 a.m. Motion carried unanimously.

NEXT MEETING: JULY 20, 2006